

Related Change Request (CR) #: 3833

MLN Matters Number: MM3833

Related CR Release Date: July 22, 2005

Related CR Transmittal #: 616

Effective Date: October 1, 2002

Implementation Date: October 3, 2005

## *Certified Registered Nurse Anesthetists (CRNA) Pass-Through Payments for Critical Access Hospitals (CAHs)*

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

### Provider Types Affected

Critical Access Hospitals (CAHs) billing Medicare fiscal intermediaries (FIs).

### Provider Action Needed

#### **STOP – Impact to You**

This article is based on information from Change Request (CR) 3833 that: 1) clarifies payment for Method I and Method II Critical Access Hospitals (CAHs) that keep their pass-through exemptions; and 2) includes billing instructions for Method II CAHs that gave up their pass-through exemption.

#### **CAUTION – What You Need to Know**

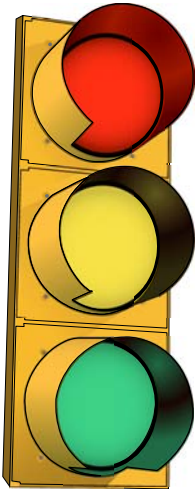
Hospitals that have CRNA exemptions are not able to bill the CRNA professional charges. If they do, they would be receiving duplicate payments for those services. Fiscal Intermediaries (FIs) must automatically pay pass-throughs on a biweekly basis without the CAHs having to bill, as instructed by CMS for other hospitals.

**Method I CAHs** were not given instructions on CRNA pass-through billing because there are no billing instructions for the pass-through. As a result, some CAHs have not been paid for their CRNA pass-through services since October 2002.

Consequently CR3833 directs FIs to pay CRNA pass-throughs whenever the CRNA indicator is present on the provider files. **Method II CAHs** that gave up their pass-through exemptions were not receiving proper reimbursement and the formula has been corrected.

#### **GO – What You Need to Do**

See the *Background* section of this article to find out further details regarding these changes.



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## Background

Critical Access Hospitals (CAHs) with Certified Registered Nurse Anesthetists (CRNAs) pass-through exemptions have not been receiving the correct payment. Regardless of which option a CAH chooses (Method I or Method II), CAHs that qualify for the CRNA exemption can receive payment for the CRNA professional fees from their FI.

However, CAHs that choose Method I or Method II, and have the pass-through exemption, do not have to bill for the CRNA services. An approved CAH with CRNA pass-through exemption will automatically receive a biweekly payment for CRNA services.

CR3833 instructs FIs to annotate the provider file to allow the CRNA indicator for Method I and Method II CAHs that are qualified with a CRNA pass-through exemption.

In addition, CR3833 instructs FIs to:

- Accept revenue code 037X on type of bills (TOBs) 11x and 85x for CRNA technical services for all CAHs;
- Make payment as follows for TOBs 85X and 11X for **CAHs paid under Methods I and II that have a CRNA pass-through exemption**:
  - Revenue Code – 037X = Technical Service - Cost Reimbursement
  - Deductible and coinsurance apply.
  - Make payment for the CRNA pass-through on a biweekly basis. This payment is not dependent on any billing for technical anesthesia services, but is made when the CRNA indicator is present on the provider file;
- Make payment as follows for the TOBs 85X **CAHs paid under Method II that gave up their CRNA pass-through exemption**:
  - Revenue Code – 037X = Technical Service – Cost Reimbursement
  - Revenue Code 0964 = Professional Service – 115% times 80% (not medically directed) or 115% times 50% (medically directed) of allowed facility amount on the MPFS;
- Look for the “QZ” modifier to identify the non-medically directed CRNA service; and
- Pay CRNA pass-throughs back to October 1, 2002, if the CAH attests in writing that they did not receive payment for CRNA pass-through exemption (professional) services and they are eligible for the CRNA pass-through exemption.

## Implementation

The implementation date for CR3833 is October 3, 2005.

## Additional Information

For complete details, please see the official instruction issued to your intermediary regarding this change. That instruction may be viewed by going to

<http://www.cms.hhs.gov/Transmittals/downloads/R616CP.pdf> on the CMS web site.

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If you have any questions, please contact your intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf> on the CMS web site.

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